Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities: 2012-08-21
Investment Auto Submission Date: 2012-02-29
Date of Last Investment Detail Update: 2012-02-24
Date of Last Exhibit 300A Update: 2012-08-21
Date of Last Revision: 2012-08-21

Agency: 024 - Department of Homeland Security **Bureau:** 58 - Customs and Border Protection

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: CBP - Non-Intrusive Inspection (NII) Systems Program

2. Unique Investment Identifier (UII): 024-000005119

Section B: Investment Detail

1. **Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

The Non-Intrusive Inspection (NII) Systems Program (large scale and small scale) supports the detection and prevention of contraband, including weapons of mass effect, illicit radioactive materials, illicit drugs, currency and other illegal contraband, from entering or furthering their entry into the U.S. The program is vital to the U.S. Customs and Border Protection's (CBP) layered enforcement strategy. The NII Program seeks to match the technology and equipment with the conditions and requirements at, and between, domestic ports of entry and U.S. facilities that process international mail; and helps ensure CBP can meet its goal to inspect 100 percent of all targeted high-risk shipments. The program?s business objective is to optimize deployment of NII across every air, land and sea port of entry given identified risks and available funds. To achieve this objective, CBP considers factors such as traffic volumes, types and density levels of imported commodities, port infrastructure constraints, and appropriate mix of equipment, as well as commercial technology and cost effectiveness. This also means pursuing a mix of technologies designed to complement one another and present a layered defense to smuggling attempts while efficiently processing a significant volume of passengers and trade. The primary beneficiaries of the NII Systems Program are American citizens who benefit from its contribution to Preventing Terrorism, Enhancing National Security, and Securing and Managing U.S. borders; and CBP Officers and Border Patrol Agents who are protected from exposure to

potentially hazardous materials when they use NII technologies to inspect cargo and conveyances for contraband. The NII systems are stand-alone technologies and are not connected to a network. As such, there are no electronic dependencies. However, the program depends on support from the CBP Office of Information Technology?s (OIT) Enforcement Technology Program to maintain and dispose of NII systems and on the OIT Technology Training and Support Program for NII training assistance.

2. **How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.**

The use of NII technologies increases the probability of discovering weapons and other destructive devices and preventing their entry into the United States. NII technologies also help identify undeclared currency and contraband, preventing their being smuggled into the United States. As identification and interdiction increase through the use of NII equipment, the program becomes more of a deterrent because it imposes a high cost on illegal activity. Once CBP successfully interdicts contraband at a rate that is painful to the smuggling organizations, criminals change their mode of operation to avoid the types of inspections that are successful. Gap: The Program will have 74 pieces of NII equipment that have reached the end of their life-cycle by the end of FY13. The use of the older technologies increases the risk of equipment failure, difficulty in obtaining parts and increased maintenance costs. Assessment of program impact if investment is not fully funded: The NII Systems Program will be in the operations and maintenance phase in FY13–17. There are no new acquisition dollars and limited replacement dollars reflected in the FY13–17 Resource Allocation Plan. As such, CBP will conduct further assessments to identify alternatives and develop strategies to ensure mission goals are achieved. Potential impact of the funding reductions include: -Increased operations and maintenance costs for NII systems that need to be replaced. -Increased costs to retrofit ports with NII systems once the expansion is completed without the NII equipment.

3. **Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.**

FY2011 · Deployed 25 additional systems for existing ports · Deployed 10 small-scale replacement systems · Deployed 5 Mobile Support Vehicles · Deployed 273 hand held Fiber Scopes · Procured 10 additional large-scale NII systems for existing ports · Deployed 11 small-scale replacement systems.

4. **Provide a list of planned accomplishments for current year (CY) and budget year (BY).**

FY2012 · Deploy 11 replacement systems for existing ports · Deploy 20 additional systems for existing ports · If funded procure 4 large-scale NII systems (2 additional new for existing ports and 2 new systems for new or enhanced ports) · If funded procure up to 27 large-scale NII replacement systems · If funded Procure 355 small-scale replacement systems and 108 small-scale additional systems for existing and new ports · Deploy 19 small-scale replacement systems · Deploy 5 small-scale additional systems for existing and new ports · Inspect 100% of targeted containers · Maintain overall NII inspection rate of at least 20% for land, sea and rail cargo · Maintain

average of 95% availability for NII imaging equipment FY2013 · Deploy 11 additional systems for existing ports · Deploy 4 replacement systems to existing ports · Deploy 4 additional systems for new or enhanced ports · If funded procure up to 24 large-scale NII replacement systems · If funded procure 355 small-scale replacement systems and 117 small-scale additional systems · Deploy 355 small-scale replacement systems (if funded in FY12) · Deploy108 small-scale additional systems (if funded in FY12) · Inspect 100% of targeted containers · Maintain overall NII inspection rate of at least 20% for land, sea and rail cargo · Maintain average of 95% availability for NII imaging equipment.

5. **Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.**

2007-05-31

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	$0.0	$0.0	$0.0	$0.0
DME (Excluding Planning) Costs:	$523.8	$45.8	$0.0	$0.0
DME (Including Planning) Govt. FTEs:	$2.0	$0.6	$0.0	$0.0
Sub-Total DME (Including Govt. FTE):	$525.8	$46.4	0	0
O & M Costs:	$682.5	$64.0	$123.1	$90.6
O & M Govt. FTEs:	$4.3	$0.1	$1.7	$1.7
Sub-Total O & M Costs (Including Govt. FTE):	$686.8	$64.1	$124.8	$92.3
Total Cost (Including Govt. FTE):	$1,212.6	$110.5	$124.8	$92.3
Total Govt. FTE costs:	$6.3	$0.7	$1.7	$1.7
# of FTE rep by costs:	45	7	14	14
Total change from prior year final President's Budget ($)		$-3.3	$10.0	
Total change from prior year final President's Budget (%)		-3.00%	9.00%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

A review and re-evaluation of the O&M funding requirements for the NII Systems Program (domestic), and the availability of funding for procurement of new and replacement NII Systems has caused a change in acquisition plans and priorities for the program.

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value ($M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded	7014	HSBP1007J19016	HSBP1005D00985	7014							
Awarded	7014	HSBP1010J00384	HSBP1007D01589	7014							
Awarded	7014	HSBP1008F22966	GS00F0026M	4730							
Awarded	7014	HSBP1010C00023									
Awarded	7014	HSBP1010F00486	HSBP1006A01370	7014							
Awarded	7014	HSBP1010J00626	HSBP1005D00985	7014							
Awarded	7014	HSBP1010J27959	HSBP1005D00990	7014							
Awarded	7014	HSBP1010J28189	HSBP1005D00990	7014							
Awarded	7014	HSBP1010J28190	HSBP1005D00988	7014							
Awarded	7014	HSBP1011J00086	HSBP1011D00002	7014							
Awarded	7014	HSBP1011J00087	HSBP1011D00002	7014							
Awarded	7014	HSBP1011J00593	GS24F0069N	4730							
Awarded	7014	HSBP1004C00193									
Awarded	7014	HSBP1011J00466	HSBP1005D00991	7014							
Awarded	7014	HSBP1011J00829	HSBP1006A01370	7014							

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value ($M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded	7014	HSBP1011J00819	HSBP1010A02367	7014							
Awarded	7014	HSBP1011J00635	HSBP1011D00002	7014							
Awarded	7014	HSBP1011C00086									
Awarded	7014	HSBP1010C00107									
Awarded	7014	HSBP1012C00009									
Awarded	7014	HSBP1012C00056									
Awarded	7014	HSBP1012J00494	HSBP1010A02367	7014							

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:
The NII large-scale and small-scale systems are commercial item acquisitions that are acquired through firm-fixed-price (FFP) orders. EVM is not a requirement for these type of contracts as FFP places upon the contractor the maximum risk and full responsibility for all costs. Two of the contracts for services, for administrative and professional services and CPIC support services, are Time & Material contracts and EVM is not required as the scope requirements change frequently. The contract for Logistics Support Services provides operation and maintenance and of the current NII systems and equipment inventory. This equipment is serviced and repaired by technicians and service personnel located in numerous geographical locations across the country. The personnel are not Government FTE, but are personnel provided via service contracts and the funding for them is categorized as “services” therefore EVM is not required. The NII Systems Program is managed using established project management processes and procedures, and coordinates with the system contractors to ensure successful system integration and handles problems associated with site-related issues. A DHS-warranted contracting officer administers the contracts, and a COTR is assigned to each contract to manage contract performance. To ensure performance, each contractor is required to work with the COTR to do the following: submit a project management plan that details the required deliverables and resources dedicated to the completion of the project; provide a series of technical reviews, such as a kick-off meeting (within 20 days of award), systems review (within 40 days of award), final configuration review (within 60 days of award), factory acceptance test meeting, and quarterly reviews; provide monthly progress reports that contain at a minimum the major milestones, open action items, program hazards, man-hours scheduled to perform, major activities

new month, and cost data (quarterly); preparing and submitting an acceptance test plan to the NII Systems program for approval and performing the tests necessary to ensure the equipment is operating as specified in the plan; work with the NII Systems Program team to conduct its own factory acceptance tests when requested; and work with the NII Systems program team to conduct the final operational test (site acceptance test) at the POE to ensure compliance with the CBP-developed government acceptance test plan for the respective equipment type.

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-08-21

Section B: Project Execution Data

Table II.B.1 Projects

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost ($M)
1	Large Scale FY08	Deployment of NII Large Scale Technologies.			
2	Large Scale ARRA	Deployment of NII Large Scale Technologies.			
3	Small Scale ARRA	Deployment of NII Small Scale Technologies.			
4	Large Scale FY10	Deployment of NII Large Scale Technologies.			
5	NII Maintenance FY11	Corrective Hardware/Software Maintenance of NII Systems Program.			
6	NII Acquisition FY11	Deployment of NII Technologies.			
7	NII Maintenance FY12	Corrective Hardware/Software Maintenance of NII Systems Program.			

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities ($M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance ($M)	Cost Variance (%)	Total Planned Cost ($M)	Count of Activities

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities ($M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance ($M)	Cost Variance (%)	Total Planned Cost ($M)	Count of Activities
1	Large Scale FY08							
2	Large Scale ARRA							
3	Small Scale ARRA							
4	Large Scale FY10							
5	NII Maintenance FY11							
6	NII Acquisition FY11							
7	NII Maintenance FY12							

Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)

NONE

Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
Increase number of large-scale NII systems operational in the field (subject to funding availability)	Number	Customer Results - Service Coverage	Over target	275.000000	301.000000	299.000000	319.000000	Semi-Annual
Maintain overall inspection rate of 20% for land, sea, and rail as cargo volume increases	Percent	Mission and Business Results - Services for Citizens	Over target	20.000000	20.000000	23.900000	20.000000	Semi-Annual
Maintain percentage of targeted containers, cargo, and international mail inspected	Percent	Mission and Business Results - Services for Citizens	Over target	100.000000	100.000000	100.000000	100.000000	Semi-Annual
Meet prior year's number of contraband seizures due to NII examinations (monthly report will show cumulative progress toward the year's goal)	Number	Process and Activities - Productivity	Over target	1457.000000	1457.000000	1385.000000	1457.000000	Monthly
Meet average percentage of NII imaging equipment operational availability	Percent	Technology - Reliability and Availability	Over target	95.000000	95.000000		95.000000	Semi-Annual
Meet average percentage of large-scale NII imaging equipment operational availability, for those systems past their expected life that are operational in the field	Percent	Technology - Reliability and Availability	Over target	95.000000	95.000000		95.000000	Semi-Annual